

REMARKS

Summary

Claims 1, 4-7, and 12-25 are pending in this application. Claims 1, 7, 19, and 22 have been amended. Claims 2-3 and 8-11 were previously canceled without prejudice. Claims 1, 7, 19, and 22 are independent in nature. Favorable reconsideration and allowance of the pending claims are requested.

Although Applicants disagree with the broad grounds of rejection set forth in the Office Action, Applicants have amended claims 1, 7, 19, and 22 in order to facilitate prosecution on the merits. Support for these amendments can be found in the specification at least at page 6, lines 4-12, page 7, lines 1-3 and 10-15, and page 9, lines 1-5. As such, no new matter has been added.

Claim Rejections - 35 U.S.C. § 103

Claims 1, 4-7, and 12-25 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over United States Patent No. 5,987,518 to Gotwald et al. (hereinafter, "Gotwald") in view of United States Patent No. 4,945,563 to Horton et al. (hereinafter, "Horton") and further in view of United States Patent No. 5,619,247 to Russo et al. (hereinafter, "Russo"). Applicants respectfully traverse these rejections, and request their reconsideration and withdrawal in view of the foregoing amendments and the following remarks.

Applicants respectfully submit that the cited references, taken alone or in combination, fail to teach each and every element recited in claims 1, 4-7, and 12-25 and thus they define over the cited references. For example, with respect to claim 1, the cited references fail to teach at least the following language:

[a] storage device operable by the receiver to store the received broadcast content without requiring payment for the received broadcast content unless and until the received broadcast content is retrieved from the storage device and consumed on the playback device

Applicants respectfully submit that the cited references fail to disclose, teach, or suggest at least "stor[ing] the received broadcast content without requiring payment for the received broadcast content unless and until the received broadcast content is retrieved from the storage device and consumed on the playback device." According to the Office Action, Horton teaches "a descriptor to indicate whether the storage device may store the received broadcast content prior to viewing and without reproducing the received broadcast content." Office Action, pages 2-3 (citing Horton, col. 3, lines 38-67). According to the Appeal Decision:

Horton also describes that for the purpose of enhancing safety and convenience of the system, the decode circuitry 28 has a direct access line through the conductor 48 to VCR 44 so that the program could be encoded to automatically initiate recording. ... One with ordinary skill in the art at the time the invention was made would have understood that the television program encoded to automatically initiate recording and the provision of the direct access line from the decoder 28 to the VCR 44 enables the TV program to be recorded by the VCR 44 without viewing and allows the TV program to be reproduced or played back by the VCR at a later convenient time.

Appeal Decision, pages 6-7 (citing Horton, col. 4, lines 1-4 and figure 2). However, Applicants respectfully submit that even assuming, *arguendo*, that Horton discloses this subject matter – which Applicants do not concede – it fails to disclose storing content without requiring payment unless and until the content is subsequently viewed. The analysis of Office Action and the Appeal Decision reads the "storage device" of claim 1 on the VCR cassette tape upon which the program is recorded in Horton. However, it is clear in Horton that payment is required as soon as the option to record content on a VCR cassette tape is selected. Horton explains in column 2, lines 32-37 that according to the teachings therein:

The operator ... has the ability to select either view only, or view and tape modes of reception. The receiver generates billing information which can be transmitted to a billing authority to properly charge the viewer for his selected mode of viewing and/or taping the program.

Thus the payment required in Horton is associated with the mode of reception of the content, and particularly with whether the mode of reception allows the content to be recorded. As such, not only is payment not deferred until and unless the recorded content is retrieved from storage and viewed (in the case of Horton, when the VCR cassette tape is played), but payment is not even deferred until storage takes place. Billing occurs as soon as a viewer selects a mode of reception that permits storage, regardless of whether the content is even stored. Therefore, the cited portions of Horton fail to disclose "stor[ing] the received broadcast content without requiring payment for the received broadcast content unless and until the received broadcast content is retrieved from the storage device and consumed on the playback device." The cited portions of Gotwald and Russo fail to overcome this deficiency. Consequently, the cited references, whether taken alone or in combination, fail to disclose, teach, or suggest at least "stor[ing] the received broadcast content without requiring payment for the received broadcast content unless and until the received broadcast content is retrieved from the storage device and consumed on the playback device."

Absence from the cited references of this claim element negates obviousness with respect to independent claim 1. Independent claims 7, 19, and 22 recite elements similar to those recited in independent claim 1. Therefore, Applicants respectfully submit that independent claims 7, 19, and 22 are not obvious and are patentable over the cited references for reasons analogous to those presented with respect to independent claim 1. Accordingly, Applicants respectfully request withdrawal of the obviousness rejections with respect to independent claims 1, 7, 19, and 22.

If an independent claim is non-obvious, then any claim depending therefrom is non-obvious. See MPEP § 2143.03, for example. Consequently, claims 4-6, 12-18, 20-21, and 23-25, which depend from non-obvious independent claims 1, 7, 19, and 22, are also non-obvious. Moreover, claims 4-6, 12-18, 20-21, and 23-25 contain additional features that further distinguish them from the cited references. Accordingly, Applicants respectfully request withdrawal of the obviousness rejections with respect to claims 4-6, 12-18, 20-21, and 23-25.

Conclusion

It is believed that claims 1, 4-7, and 12-25 are in condition for allowance. Accordingly, a timely Notice of Allowance to this effect is earnestly solicited.

Applicants do not otherwise concede, however, the correctness of the Office Action's rejection with respect to any of the limitations of the independent claims and dependent claims discussed above. Accordingly, Applicants hereby reserve the right to make additional arguments as may be necessary to further distinguish the claims from the cited references, taken alone or in combination, based on additional features contained in the independent or dependent claims that were not discussed above. A detailed discussion of these differences is believed to be unnecessary at this time in view of the basic differences in the independent claims pointed out above.

The Examiner is invited to contact the undersigned to discuss any matter concerning this application.

The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. § 1.16 or § 1.17 to the Deposit Account No. 50-4238.

Respectfully submitted,

KACVINSKY DAISAK PLLC

/Andrew H. Aurand/

Andrew H. Aurand, Reg. No. 61,875
Under 37 CFR 1.34(a)

Dated: October 25, 2011

KACVINSKY DAISAK PLLC
4500 Brooktree Road
Suite 302
Wexford, PA 15090
(724) 364-3245